

# THE CHALLENGE OF THE CENTURY

*Planning for Record Student  
Enrollment and Improved  
Outcomes in California  
Postsecondary Education*



CALIFORNIA  
POSTSECONDARY  
EDUCATION  
COMMISSION

## Summary

Approaching the twenty-first century and the certainty of an unprecedented increase of 455,000 additional -- and increasingly diverse -- Californians who will seek a college education, the Postsecondary Education Commission has examined California's ability to accommodate this "Tidal Wave II" of students, while also adhering to the principles of the State's Master Plan for Higher Education. Coming after more than two years of work, this document provides a framework for thinking anew about strategies for providing postsecondary education and training opportunities most effectively and efficiently to these increasing numbers of students, in short, how to answer "The Challenge of the Century."

In this report, the Commission cites the withering forces -- voter-approved initiatives, growing expenditure requirements driven by constitutional or caseload requirements, and a weakened State economy -- that threaten the State's continued ability to provide broad access to quality higher education for all who prepare themselves to benefit from education beyond high school. As a result, the Commission concludes, not only is the state's economic well being at risk but so too is its very social fabric.

The Commission provides recommendations and strategies involving higher education institutions that focus on the long-term needs of California, and details how the state must (1) revise government finances to preserve educational opportunity, (2) create equitable state policies on student fees and financial aid, (3) encourage greater educational productivity and efficiency, (4) and improve statewide and regional cooperation and collaboration among postsecondary institutions.

The Commission adopted this report at its meeting on April 3, 1995, on recommendation of its Ad Hoc Committee on the Financing and Future of Higher Education. To order copies of this report (95-3) write to the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2838, or telephone (916) 445-7933.

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April 1995

To the People of California

During this century, California has led America and the world in meeting three major challenges that have confronted education beyond the high school

- ◆ At the end of the first decade, its high schools began to add courses at the thirteenth and fourteenth year, leading to the formation of junior colleges and ultimately to California's comprehensive system of community colleges
- ◆ At the end of the second decade, its political leaders realized that the single campus of the University of California at Berkeley would be insufficient to support the needs of so large a state. They funded a second campus that became UCLA, leading to today's nine-campus University and eventually to its 22-campus State University
- ◆ At the end of the sixth decade, it responded to the tidal wave of young people who had been born after the Second World War by adopting its world-famous "Master Plan for Higher Education, 1960-1975," that promised high quality, affordable higher education for all Californians who demonstrated motivation to attend and who could benefit from attendance

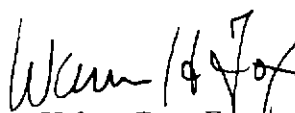
Now, California faces its greatest postsecondary education challenge of this century and possibly the next -- responding to the coming "Tidal Wave II" of students -- the grandchildren of the World War II GI's -- during a period of fiscal retrenchment, cutbacks in public service, and increasing competition from other state programs for scarce tax dollars totally unlike that during the economic boom of the 1960s

In this report, the California Postsecondary Education Commission offers a series of recommendations on four topics for the structural and programmatic transformation of California's colleges and universities in order to permit them to serve into the next century all Californians who can benefit from postsecondary instruction

The Commission held extensive public meetings over the last two years considering recommendations, and invited comment on draft proposals before final adoption of this report. The Commission now plans to hold public forums in the state to discuss the implementation of these recommendations and to agree upon ways we can strive together to maintain and improve student access to one of the greatest postsecondary education systems in the world

Sincerely,

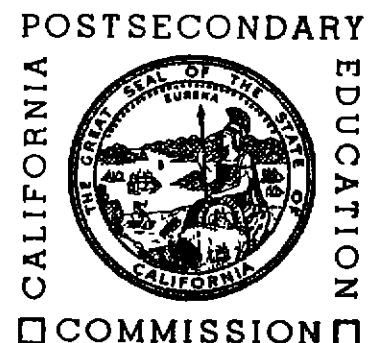
  
Henry Der, *Chair*

  
Warren Halsey Fox, *Executive Director*

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and Improved Outcomes  
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**COMMISSION REPORT 95-3**  
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# CONTENTS

<i>Page</i>	<i>Topic</i>
1	The Commission's Vision for California Postsecondary Education
3	ONE Financing Collegiate Opportunity or Limiting Student Access
11	TWO Creating Equitable State Policies for Student Fees and Financial Aid
17	THREE Increasing Educational Productivity and Efficiency
25	FOUR Improving Regional and Statewide Cooperation and Collaboration
29	Conclusion: Sharing the Tasks of Preparing for the Future
37	Bibliography

# THE COMMISSION'S VISION FOR CALIFORNIA POSTSECONDARY EDUCATION

**E**DUCATION is the State's most important function. Broad-based or universal education is the prerequisite of democratic institutions, the motive force behind economic growth, the preserver of culture, the foundation for rational discourse, the best means to upward social mobility, and the guarantor of civilization. No democracy ever survived, no economy ever prospered, and no culture ever advanced without a healthy educational system. The roots of all that Californians regard as valuable, useful, or productive -- even noble -- can be traced to an elementary, secondary, and postsecondary education that until recently has been unsurpassed.

Increasingly in the twenty-first century, new ideas and the ability to articulate and apply them will be to California what gold, agriculture, and oil were in the nineteenth and twentieth centuries: the driving force of economy. California has the resources and the opportunity to be the world's center of innovative ideas during this next century, but it will not attain that goal through a second-rate educational system.

Instead, California requires a cohesive system of first-rate schools, colleges, and universities -- both public and private -- that is characterized by a clear set of high expectations, collaboration among institutions, and public accountability for institutional performance. Its colleges and universities should continually engage in critical self-examination to determine how teaching and learning can best be improved and institutional efficiencies and productivity enhanced. These institutions must receive adequate levels of financial support to ensure that all Californians who prepare themselves to benefit from instruction have access to educational opportunities that nurture the very best in them. In this way, education can mitigate inequitable differences in family background and prepare all Californians to participate fully in the State's political democracy, contribute to its continually changing economy, and recognize the unique benefits of California's diversity for the creation of ideas and culture.

**Californians have a right to expect the State's educators to share this vision and to operate its schools, colleges, and universities as a cohesive system of collaborative institutions devoted to constant, purposeful change and publicly accountable for the highest standards of student and institutional achievement**

**To prepare for the new century, the Commission has identified four broad areas which require the attention of all Californians over the balance of this decade:**

- (1) Revising the manner in which state government finances and preserves postsecondary educational opportunities for State residents,**
- (2) Creating equitable state policies on student fees and structuring a financial aid system that provides all students -- regardless of their economic circumstances -- with the opportunity to pursue their educational objectives beyond high school,**
- (3) Encouraging and supporting greater educational productivity and efficiency, and**
- (4) Improving statewide and regional cooperation and collaboration.**

**If the Commission's vision for postsecondary education is to be achieved, progress must be made in all four areas. On the following pages, the Commission offers its recommendations about how to do so.**



# 1

## FINANCING COLLEGIATE OPPORTUNITY OR LIMITING STUDENT ACCESS

**A**S THE twenty-first century approaches, some 455,000 more Californians than are currently enrolled in the State's colleges and universities will seek access to postsecondary education. The major reason is "Tidal Wave II" — the echo of the first tidal wave of college students in the 1960s, who were the baby-boomers born after World War II. This second tidal wave has already reached California's high schools, and it will reach colleges later this decade. By the year 2003, the number of high school graduates in California is likely to be 22 percent larger than in 1993; and, if current trends continue, a larger proportion of these graduates will have prepared themselves for university admission than do so now.

Beyond these Tidal Wave II students, additional college applicants will likely come from among recent immigrants to California, from among adult workers who either want to or are forced to enhance their employment skills, and from the single fastest growing portion of the population: older Californians who wish to continue their pursuit of lifelong learning. All in all, more students will seek admission to California's colleges and universities than can be admitted, unless major changes are made in public policy and funding.

During the recession of the last four years, the Legislature annually appropriated fewer dollars than California's public colleges universities needed to maintain their historic levels of access, quality, and affordability. Without significantly more resources as well as internal reforms, this deterioration will continue, and the State's vision for postsecondary education will be thwarted.

Why? Among the reasons are these:

1. A series of voter-approved initiatives since 1978, coupled with mandatory constitutional and caseload expenditure requirements, have reduced legislative and gubernatorial discretion on state expenditures to approximately 15 percent of the budget. From this thin slice of the state budget must come funds for public postsecondary education as well as money for the State Department of Corrections and most other State government agencies and operations.

2. With the growth of public concern over crime -- embodied by passage of "Three Strikes: You're Out" legislation -- larger expenditures for corrections will inevitably mean less for higher education. If this continues unchecked, more criminals will be in prison and more students will be denied college.
3. Although a majority of voters has often approved tax increases and bond measures to aid postsecondary education, few of these propositions have been able to muster the two-thirds majority required under Proposition 13
4. As a direct consequence, public colleges and universities have had to reduce class offerings, increase class size, encourage faculty retirement, reduce library support, defer building maintenance and equipment purchases, raise student fees, and restrict enrollment -- with the result being the effective denial of access for thousands of potential students

What can be done? Most importantly, Californians and their elected representatives must focus on the long-term needs of the State and its people if they are to prevent California's population from further splintering into a series of hostile camps: a minority of wealthy citizens versus a majority of the poor, urban versus rural residents, each racial-ethnic group against all the others, and the highly educated versus those without the skills to contribute productively to the State's economic and social health

To this end, elected officials, in cooperation with voters and education leaders, must make hard choices about California's expenditures and then choose to generate the revenue to meet these needs and greater efficiencies in the operation of colleges and universities or else plan to ration opportunities to postsecondary education and other public services. Any further rationing of access to postsecondary education than that which currently exists is antithetical to the vision of the Postsecondary Education Commission since it would further depart from the ideals of California's Master Plan for Higher Education and deny California's increasingly diverse population the benefits of postsecondary education in forming a cohesive society. Thus, the Commission recommends:

## **Recommendation**

### **1.1**

#### ***Changing revenue and expenditure requirements***

**The State's Constitution should be revised to (1) permit State and local revenue to increase in consonance with economic growth and (2) reduce the required "supermajority" voter approval for new or increased taxes from 67 percent to no more than 60 percent, if not a simple majority. The Constitutional**

**Revision Commission and the Legislature and Governor should also review all existing mandatory requirements for General Fund expenditures, identify those necessary to the social and fiscal health of the State, and recommend repeal of all remaining provisions of statute or the Constitution that mandate annual expenditures.**

**Recommendation**

**1.2**

***Estimating  
enrollment  
opportunities***

**To ensure that all capacity to enroll qualified students is used, the Governor and Legislature should expect the public colleges and universities to collaborate with the independent and private sectors of postsecondary education in annually identifying available enrollment opportunities throughout the State that could be used to accommodate additional students. In particular, each California Community College must estimate the number of its students expected to be transfer-eligible during the succeeding year and provide these estimates to the Commission, the admission and enrollment planning offices of the California State University, the University of California, and, on behalf of independent colleges and universities, to the Association of Independent California Colleges and Universities. In turn, these institutions should report back to the Community College Chancellor's Office on the number of community college students who apply, are admitted, and enroll.**

**Making  
better use  
of independent  
institutions**

**Under conventional practice, California would need to build more than 20 new campuses to accommodate the demand for student spaces into the new century. Yet the State lacks the ability to repair and improve existing facilities on its present campuses, let alone build many more. As a result, the State must look elsewhere to help accommodate additional demand for education beyond high school**

**According to an estimate by the Association of Independent California Colleges and Universities, independent institutions within the State may be able to provide undergraduate and graduate enrollment opportunities for between 18,000 and 20,000 additional Californians. Although any increase of enrollment in these institutions would generate an increased demand for financial aid for needy students, the total cost of providing this aid would still be far less than the cost of building additional public campuses to accommodate a similar number of students. It would also provide enrollment opportunities for students sooner than the option of constructing new campuses.**

California's Constitution prohibits direct State support to all non-public institutions. Thus, the State must make grants to needy students for use at these institutions, rather than grants to the institutions themselves. Accordingly

**Recommendation  
1.3  
*Using independent  
institutions  
for more access  
and choice***

**By the 1999-2000 fiscal year, California's independent colleges and universities should seek to enroll at least 15,000 additional Californians beyond those enrolled in 1994-95. To encourage both students and independent institutions to pursue this goal, the Legislature should augment State-funded financial aid to assist needy California students to enroll in these institutions.**

**Committing State  
and local funds  
to essential  
educational  
functions**

Most Californians would probably agree that the State, students and their families, and colleges and universities all should share responsibility for meeting the cost of providing high quality education beyond high school to residents of the State. Moreover, the continuing fiscal stringencies of the State would lead many observers to agree that California cannot continue to invest as heavily in students from wealthier families through the "no tuition" and low-fee policies of the past. For better or worse, shared responsibility for financing postsecondary education will mean a greater contribution from those students and their families who can afford it and a proportionally smaller contribution from the State than has heretofore been the case.

Nonetheless, the State should not base its contribution on the vagaries of available tax revenues, as it did during the recent recession. For a policy of shared responsibility to be equitable, the State -- with the assistance of local government for the community colleges -- must commit itself to providing a sufficient base of funds that will ensure quality and access to all applicants who are qualified for admission to public colleges and universities, or else it must explicitly declare the level of enrollment it is willing to support -- and consequently, the level of rationing of educational opportunity it will accept. Concurrently, the leaders of postsecondary education must examine critically both the missions of their institutions and the best options for preserving quality and affordable access into the next century.

This transition to a new method of financing postsecondary education in California should be accompanied by an improved understanding of the various functions performed by California's public colleges and universities -- instruction, research, and pub-

lic service -- and the average cost of providing each function. This information should then be factored into annual budget decisions for postsecondary education, so that State government and local districts can be assured that they are supporting adequately those postsecondary goods and services of greatest priority to them. Accordingly:

**Recommendation  
1.4  
*Committing  
to a base level  
of funding***

**By 1996-97, the Legislature and the Governor should commit to providing a base funding level for California's public colleges and universities on a full-time equivalent student basis. The appropriateness of the base funding level in preserving quality should be reviewed every five years and modified, as needed.**

**Recommendation  
1.5  
*Calculating  
programmatic  
or functional  
costs***

**To facilitate a differentiated appropriation by function and instructional level, each public system of postsecondary education should calculate the various net programmatic costs of operation, paying particular attention to instructional costs differentiated by undergraduate, graduate, and professional levels, and provide these cost calculations to the Commission, the Department of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee by December 1995.**

**Recommendation  
1.6  
*Using  
programmatic  
or functional  
budgeting***

**The annual Budget Act should contain sufficient funding to accommodate the total number of students the State is willing to support for undergraduate enrollment in the Community Colleges and undergraduate and graduate enrollment at the State University and the University. These cost calculations should include discussion of research and public service, recognizing that these two functions and instruction are intertwined.**

**Recommendation  
1.7  
*Obtaining advice  
from  
institutional  
policy makers***

**In collaboration with the Commission, policy makers of the community colleges, the State University, and the University should review the educational mission of their institutions in light of current economic and demographic factors and recommend how best to support quality and affordable access for all students into the twenty-first century.**

**Preparing  
to make hard  
choices**

**As we look back on our past and toward the future, it becomes self-evident that a well-educated populace has always been, and must continue to be, California's most important natural resource. Postsecondary education at all levels makes a direct contribution to the**

public commonwealth. It supplies an educated citizenry, a flexible and versatile workforce, a strong and dynamic economy, and cultural values that nurture social and political cohesion among a diverse populace.

The Postsecondary Education Commission notes with great alarm the cumulative impact of decisions by California voters and policy makers that have redirected more than \$1 billion in General Fund revenue from higher education to other competing programs and services. Unless actions such as those suggested in recommendation 1.1 (pp. 4-5) are taken to stem the redirection of General Fund support away from higher education, California's policy makers and education leaders will be forced to take the unprecedented step of developing priorities for rationing access to its first-rate system of public colleges and universities. Resorting to rationing of access to postsecondary education is not only antithetical to the vision advanced by the Postsecondary Education Commission in this report, it is also a contradiction to the ideals of the Master Plan for Higher Education and poses a genuine threat to the future health and prosperity of the State. Nonetheless, responsible planning compels the Commission to acknowledge the possibility that rationing of access might be required. Accordingly:

**Recommendation**  
**1.8**  
*Prioritizing access  
if rationing  
is required*

**If the State does not provide sufficient resources to support access for all who could benefit from postsecondary education, the Governor, Legislature, and respective governing Boards should:**

- ♦ **Give priority to students seeking admission to the State's public universities as upper-division transfers from community colleges over those seeking admission as freshmen or sophomores, since community colleges are precluded by law from offering upper-division courses;**
- ♦ **Give priority to students seeking an initial baccalaureate degree over students seeking a second baccalaureate, thereby providing everyone with as much access as possible to undergraduate education;**
- ♦ **Give priority to applicants preparing to enter or reenter the workforce over those who have retired in order to maximize benefits to State efforts to sustain and enhance economic stability and growth; and**

- ♦ **Address and set up other priorities for limiting access. These could include, but are not limited to, reducing and cancelling programs at the system and/or campus levels, examining the balance of graduate and undergraduate programs, and reducing or combining same disciplines on different campuses.**

**Financing  
capital costs**

The Commission estimates that in order to keep up with enrollment increases, California's public colleges and universities together will need \$1 billion per year over the next ten years for "capital" purposes -- new construction, renovation and restoration of existing facilities, and maintenance of facilities and equipment. Historically, the State has sold bonds to finance such capital costs -- but now the State is running out of the ability to sell bonds; and debt service on existing bonds increasingly competes with other State programs for General Fund support. Thus:

**Recommendation  
1.9  
*Advising  
the Governor  
and Legislature  
on capital funding***

**Through its Capital Outlay Planning Advisory Committee, the Commission should develop recommendations by this autumn for the Governor and Legislature to consider in financing capital outlay for higher education through 2010.**

# 2

## CREATING EQUITABLE STATE POLICIES FOR STUDENT FEES AND FINANCIAL AID

**O**NE OF the most treasured characteristics of California's system of postsecondary education has been the traditionally low fees that its public institutions have charged for enrollment -- particularly given the high reputation for quality that these institutions have enjoyed. However, by investing in the education of all students at the same level -- irrespective of their economic circumstances -- while simultaneously departing from the State's traditional low-fee, no-tuition policy, unintended inequities to access have been created for needy students for whom adequate financial aid has been unavailable. The time has come for California finally to establish equitable, coordinated, long-term policies on student fees and financial aid.

In 1993, the Commission recommended such a policy for setting undergraduate fees at the State University and the University and a set of principles that should guide State policy in setting fees for all of its public colleges and universities. It based that policy on the premise expressed on page 6 above that the State, students and their families, and institutions should all share in the investment necessary to provide high quality postsecondary education to Californians -- an investment that benefits both society and the individual. A coordinated State policy on fees and financial aid should serve to (1) curtail unwarranted growth in student fees, (2) stabilize the proportion of costs that students and their families are expected to bear, (3) provide predictability for students and parents in forecasting future college costs, and (4) preserve college affordability for the poorest of Californians

The Commission's existing policy recommendation on student fees requires that a maximum level of systemwide fees be set, based on a prescribed proportion of the prior-year average instructional expenditure per full-time-equivalent student. Furthermore, the policy recommendation would limit subsequent fee increases to the lesser of (1) the change in the actual prior-year average instructional expenditure per full-time-equivalent student, or (2) the average of



the changes in California per-capita income and the Higher Education Price Index. Now the Commission additionally recommends:

**Recommendation**  
**2.1**  
*Creating  
differential fee  
levels by system*

**The fee levels of the three systems should vary by system, reflecting differences in the economic conditions of the current students that they serve and their different missions:**

- ♦ **The Board of Governors of the California Community Colleges should be authorized to establish a base fee level that is fair, moderate, and predictable, and that does not exceed 15 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years.**
- ♦ **The Trustees of the California State University should be authorized to propose a base undergraduate enrollment fee level that does not exceed 30 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years.**
- ♦ **The Regents of the University of California should be urged to establish a base undergraduate student fee that does not exceed 40 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years.**

**Linking student  
fee policy  
with financial aid  
policies**

To be effective within the context of existing Master Plan principles, this policy recommendation must be accompanied by the State and local governments' commitment -- proposed in Recommendations 1.4 and 1.6 on pages 7-8 -- to provide base funding for the California Community Colleges in order to accommodate all who seek enrollment and can benefit from instruction, and to provide base funding for the State University and the University to permit either admission of all eligible students who apply or, alternatively, a predefined level of full-time-equivalent enrollment. Even more important, this student fee policy must be coordinated with financial aid policy in order to ensure that students with limited economic means are able to attend college.

California requires a comprehensive strategy for providing adequate financial assistance effectively to those who require it. On the following pages, the Commission offers its short-term policy recom-

mendations that will provide this strategy. Those recommendations stem from these three principles:

1. ***Financial aid must be adequately funded:*** Full support of financial aid programs must become an extremely high priority for the State. An unfunded financial aid policy is worse than meaningless: its injustice breeds social cynicism and resentment among the students it is designed to assist. If the State is unable to maintain all academic programs or accommodate all enrollment demand, every prospective student may appropriately be asked to share the resulting burden. However, failure to support financial aid programs fully forces California's needy students to bear a disproportionate share of this burden.
2. ***Meeting the costs of college is a shared responsibility:*** As with the Commission's recommended fee policy, meeting the costs of college for needy students should be viewed as a shared responsibility. State, federal, private, institutional, family, and student resources should be combined to cover the full cost of college attendance, housing and subsistence as well as books, laboratory fees, and other related costs. These resources should be directed to assure that all academically eligible students are able to cover their costs of attendance regardless of their economic means.
3. ***State aid should be consolidated:*** The proliferation of financial aid programs in California administered by different entities -- yet with the common purpose of eliminating economic barriers to attending college -- adds unnecessarily to students' confusion about the availability of financial aid. A comprehensive State financial aid policy should cover not only aid administered directly by the State, such as through the California Student Aid Commission, but also that which is administered by the public systems and supported through State appropriations and student fee revenue.

**Recommendation**

**2.2**

***Funding  
financial aid  
programs fully  
to reduce  
economic  
barriers  
to college***

**The State should appropriate increases in grant assistance as necessary to ensure that needy students are able to pursue their education, irrespective of their economic circumstances.**

Inherent in this recommendation is not only an affirmation of the State's current policy to increase financial aid to keep pace with approved fee increases but also the statement that grant aid generally should be adequate to eliminate economic circumstance as a barrier to college attendance for financially needy students who apply for aid.

**Recommendation  
2.3  
*Directing the  
largest grants  
to the neediest  
students***

**Because not all needy students have the same level of financial need, access can best be promoted if those eligible students with the greatest need receive the largest amount of grant assistance within each system. Thus, as each system or institution makes its grant awards, it should direct its largest grants to eligible students with the greatest need.**

**Revising financial  
aid policy**

**California's financial aid program should be viewed in its proper context: it is, and should remain, complementary to federal and private sources of financial aid for students without the financial resources to fully meet the costs of college attendance. Accordingly, it is reasonable for the State to consider appropriate goals it seeks to accomplish with state-supported financial aid and how existing State policy should be revised -- if at all -- to achieve these goals. The Commission was asked to consider student fee and financial aid policy by the Legislature in 1991 and offer recommendations. Accordingly,**

**Recommendation  
2.4  
*Reviewing  
and revising  
California's  
long-term  
financial aid  
policy as needed***

**The California Postsecondary Education Commission should complete its review and provide its recommendations on long-term financial aid policy for the State by November 1995. The Commission shall include in its review an analysis of (1) appropriate goals to be advanced by the State's financial aid policy, (2) the advantages and disadvantages of decentralizing aid programs, (3) sources of funds that should be included in the State's financial aid policies, (4) a methodology for estimating annual appropriation needs for fully funding a financial aid program to achieve State goals, and (5) indicators that should be reviewed regularly to determine the extent to which State goals are being achieved.**

**Publicizing fees  
and financial aid**

**A Statewide public information campaign is essential to assure all California parents and their children that the State retains its commitment to postsecondary access and enrollment opportunities, despite its shift from a "no- or low-fee" policy for everyone to a policy of "affordable fees through financial aid" for needy students. This information campaign should build the expectation of academic and financial preparation for postsecondary education into the consciousness of all families, beginning with the parents of elementary-school students. It could also encourage behavior among children that is associated with high academic achievement,**

such as reading, good study habits, persistence, regular school attendance, and personal responsibility.

State colleges and universities already cooperate in distributing college information to school students, but new methods are needed for reaching and advising all potential students, particularly in terms of encouraging all families to save for college. Accordingly:

**Recommendation**

**2.5**

***Developing  
a statewide  
information  
program***

The Intersegmental Coordinating Council should develop a comprehensive and integrated statewide public information program aimed initially at the parents of elementary and middle school students, but ultimately covering all parents and students, that deals with (1) the civilian and military educational options generally available to California students after high school, with particular emphasis on the options offered by schools, colleges, and universities; (2) the academic and other skills required to be eligible for admission to these options; (3) the likely cost of each option, together with the types of financial assistance available to students unable to fully meet that cost; (4) the State's expectation regarding the financial contribution of parents to the postsecondary education of their children; and (5) alternative postsecondary savings plans available to parents and children.

# 3

## INCREASING EDUCATIONAL PRODUCTIVITY AND EFFICIENCY

**T**HE COMMISSION advocates that California's educational policy makers give sustained attention to strategies that reduce the costs of providing and receiving high quality education. So far, few incentives have existed to promote such attention among the leaders of the State's public colleges and universities. Rather, any success on their part in reducing educational expenditures has more often than not been viewed by State officials as *prima facie* evidence of excess funding and as grounds for cutting funding levels. In this regard, the Commission advocates institutional policies that will help students achieve their educational objectives more expeditiously -- but educational and political leaders will have to agree on revised institutional funding formulas to move these policies into practice. Here, the Commission believes that both educators and State officials can improve their policy decisions by using documented evidence of student achievement and institutional performance.

To advance these goals of educational efficiency and productivity while preserving educational quality, the Commission proposes the following six major strategies: (1) allowing institutions to retain their expenditure savings, (2) tracking student progress through the educational system, (3) making better use of student time; (4) utilizing educational technology; (5) clarifying the relationship of academic programs to societal and employment trends; and (6) rethinking graduate enrollment plans.

### **Allowing institutions to retain their expenditure savings**

The leaders of California's colleges and universities have taken significant steps to adjust to the tightened fiscal conditions in which they must operate. Besides improving curricular coordination, they have trimmed administrative staffing and expenditures, reduced instructional support budgets, and initiated reviews aimed at eliminating or consolidating entire academic programs.

Further examination of the ways in which campuses organize their educational efforts may result in still more cost-effective methods of helping students complete their educational objectives. Some of

these ways may involve particularly effective instructional methods and teaching techniques -- but far more of them may relate to the collaborative and mentoring relationships that can exist on campus between students and faculty. In other words, improving effectiveness should aim not simply at improving traditional educational practices but also at educating students differently.

Implementing policies and practices that encourage these relationships would expedite the progress of students in achieving their educational goals — thereby not only freeing spaces sooner for new students but also unencumbering existing resources that can be redirected into still more effective policies. Therefore:

## **Recommendation**

### **3.1**

*Authorizing  
campuses to retain  
savings  
from implementing  
cost-effective  
methods  
of education*

**Public campuses should be authorized to retain all savings realized from implementation of cost-effective strategies for instructional delivery and be permitted to reinvest them in any aspect of campus teaching-learning activities. Furthermore, these realized savings should not result in reduction of General Fund support.**

**To this end, individual campuses within each public system of postsecondary education should be encouraged to devise and implement more cost-effective ways of educating students, provided such strategies do not result in decreased student diversity and they preserve quality and breadth in academic program offerings throughout the State.**

## **Tracking student progress through the educational system**

To improve institutional efficiency, California needs to develop a comprehensive student information system that allows it to answer questions about the pattern of student progress during elementary and secondary school and then into and through postsecondary education. Among the questions that such a system could answer include: At what steps in the educational system are most students dropping out? What is causing those dropouts? What intervention is possible?

As the State agency principally responsible for long-range postsecondary planning and coordination, and as the State's clearinghouse for postsecondary information, the Postsecondary Education Commission has taken leadership in developing this information system for use by state educational policy makers. Use of a specific identifier for every student -- preferably students' Social Security numbers -- is essential to tracking student progress. Also,

in the system's electronic environment preserving the confidentiality of individual student records is imperative

The cost of implementing this information system is estimated to be slightly under \$1 million per year, but implementation will yield substantial financial benefits to the State by reducing current data-processing costs and basing policy decisions on empirical evidence rather than speculation or supposition. Accordingly

**Recommendation  
3.2**

***Funding a  
comprehensive  
student  
information system***

**The Legislature and Governor should improve their capacity to make informed policy decisions about postsecondary education and the students served. To that end, they should fund the expansion of the Commission's student information system, thereby improving the quality and consistency of the Commission's information while, at the same time, reducing current costs for duplicate data storage.**

**Making  
better use  
of student time**

California students should have the opportunity to acquire and demonstrate mastery of skills and knowledge in a timely fashion and a variety of ways. Their progress in meeting the expectations of course, credential, certificate, and degree requirements should not be artificially constrained by course schedules and requirements or faculty availability. In order to help students reduce their time to degree and permit them wider choice of electives, California's colleges and universities should publicize, promote, and provide as much credit as possible for qualifying scores on such standardized tests as Advanced Placement examinations and the College Level Examination Program. They should also seek to expand partnership and collaborative arrangements with K-12 schools, particularly high schools, to facilitate better use by students of their high school years so they acquire the skills and competencies expected of freshmen entering postsecondary education

Where appropriate, institutions should also clearly state their knowledge and skill standards for each course and students should be afforded the opportunity to demonstrate mastery by either course completion, successful test scores, or other appropriate assessment of skills and competencies as determined by faculty. Institutions should be encouraged to experiment with various ways in which students can demonstrate achievement of degree requirements beyond simply the satisfactory completion of prescribed sets of courses or number of units. Thus the Commission proposes

**Recommendation**

**3.3**

***Encouraging  
students  
to demonstrate  
competency***

By the year 2000, all public colleges and universities should provide students with the opportunity, when appropriate, to demonstrate their proficiency or competence without the need to enroll in specific courses. To assist students in preparing themselves to take advantage of such opportunities, California's colleges and universities should publish a list of faculty-identified courses that have specific sets of proficiencies or competencies that students are expected to acquire and the standards set for awarding passing grades or course credit; and they should develop assessment alternatives for students to demonstrate such competencies at no additional cost to the student.

**Recommendation**

**3.4**

***Encouraging  
better high  
school  
preparation***

All colleges and universities should continue and expand collaborative efforts with high schools to assist all graduates in meeting the competencies expected of entering college freshmen that have been endorsed by the academic senates of California's public colleges and universities. To this end, the State University and the University should ensure that their existing skills assessment instruments are aligned with these competency statements and make these instruments available to high schools for administration prior to students' completion of their 11th grade year.

***Utilizing  
educational  
technology***

Educational technology has often been cited for its potential to increase teacher and learner productivity while, at the same time, being criticized as too impersonal, a threat to instructional quality, loaded with hidden costs, and too dependent on outmoded software. Conventional wisdom asserts that high quality instruction relies on direct student-faculty interaction in a classroom or laboratory setting, but students can learn in other ways and in other settings.

In the short-term, educational technology will likely have only a marginal impact on accommodating demand for postsecondary education, particularly given its high initial costs -- costs for campus infrastructure, hardware and software purchase, software upgrades, and faculty training to incorporate technology in the teaching/learning process. In the long-term, however, technology is likely to be of substantial benefit to extending the effective reach of faculty, sustaining high quality instruction for all students without regard to time or location, improving documentation of student learning, extending instruction over a greater portion of the day, and pro-



viding lifelong learning opportunities for Californians with a variety of educational goals without concurrently increasing demand for new facilities. This will require a focused effort to put in place the infrastructure that will accommodate full incorporation of technology.

Despite fiscal realities that preclude full incorporation of technology that could benefit teaching and learning at this time, California should nonetheless invest in using technology to serve all students, particularly those from groups historically underserved in the past or those in danger of future constrained access. It should also encourage colleges and universities to learn from, and collaborate with, the private business sector in deciding the best way(s) to incorporate technology in the educational enterprise. Accordingly,

**Recommendation**  
**3.5**  
*Encouraging and  
supporting  
incorporation of  
educational  
technology*

**The Legislature and Governor should support and encourage California's colleges and universities to collaborate with the private business sector to determine how best to incorporate the use of technology in their instructional programs. To this end, the State should request public institutions to develop five-year plans for incorporating technology including (1) the rationale for expenditure priorities, (2) the relationship to teaching-learning improvements, (3) current utilization of technology, and (4) the estimated costs of implementing their plans.**

**Clarifying  
the relationship  
of academic  
programs  
to societal  
goals and  
employment  
trends**

California's postsecondary institutions are clearly effective in a variety of ways, yet the type and level of their academic programs vary greatly, as do the outcomes they achieve. Californians deserve to have ready access to information about such differences among institutions in order to make reasoned decisions about those that best fit their interests and abilities.

For example, California's Legislature and Governor have directed the Commission to develop an annual "Higher Education Performance Report" on significant indicators of performance of California's institutions, with the intention that "demonstrable improvements in student knowledge, capacities, and skills between entrance and graduation be publicly announced and available." The Commission has begun this series of reports, but few data are available from institutions regarding these demonstrable improvements.

Californians expect postsecondary institutions to help students learn as broadly as possible -- to enhance students ability to think critically, communicate effectively, and to solve complex, real-life prob-

lems. In addition, postsecondary education experiences should support students' development of civic responsibility, cultural awareness, and social sensitivity. Continuous efforts to monitor the quality of students' learning and to implement needed improvements should be a central focus for all institutions of postsecondary education

In the area of graduates' employment, leading proprietary schools and colleges provide a useful model for all institutions. These "for profit" institutions are monitored and licensed by California's new Council for Private Postsecondary and Vocational Education, which holds them to stringent standards for curricular integrity and quality, consumer protection, and institutional accountability. Largely as a result of the work of this new State agency, the proprietary sector is increasingly seen as a viable and respected resource for meeting the workforce preparation needs of Californians — thereby relieving some pressure to accommodate all students in the public and independent sectors of higher education. These proprietary schools and colleges operate primarily at the cutting edge of new and specialized occupations, providing students the opportunity to move quickly and effectively into the labor force. To remain competitive, these institutions must keep close tabs on employment trends and the employability of their graduates. Such information can benefit policy makers at all career-oriented institutions for curricular purposes and for all prospective students regarding their postgraduate employment prospects. Non-profit educational institutions offering vocational programs can emulate the best proprietary institutions in relating their programs to societal and economic needs and clarifying their expectations of the skills and competencies to be acquired by students in completing the institution's course of study. Therefore:

**Recommendation**

**3.6**

***Developing  
information on  
institutional  
effectiveness***

California's colleges and universities should increasingly develop and publicize clear statements of their unique missions, goals, and expectations, including specific expectations of the skills and competencies their graduates should be able to demonstrate and the means for measuring and reporting these achievements. They should also gather and report information on the postgraduate activities and careers of their alumni in order to help guide curricular change and student choice.

## **Rethinking graduate enrollment plans**

The Commission has previously noted the importance of maintaining strong instructional programs at all levels if it is to protect the future health and vitality of California. The cost of providing graduate and professional instruction, however, is often substantially greater than the cost of providing undergraduate instruction -- a fact that has a direct impact on the level of access the State can provide during constrained fiscal times. Therefore, the Commission has urged that when all demand for access to publicly supported postsecondary education cannot be fully accommodated, the Governor, Legislature and governing boards reassess the balance between graduate and undergraduate instruction, among other options, for assigning priority in access to limited enrollment opportunities. In offering Recommendation 1 8 (pp 8-9), the Commission emphasizes the importance of maintaining strong graduate-level instruction. Nonetheless, the Commission observes that desired levels of *growth* in both graduate and undergraduate enrollment may not be possible to accommodate simultaneously, given the State's fiscal constraints

In recent years, long-range planners at the University of California have held as a goal graduate enrollments that represent at least 20 percent of total student enrollment on each campus. They projected a 79 percent growth in the University's graduate and professional enrollment (apart from the health sciences) between 1990 and 2005 -- from 26,419 to 47,300 -- and not quite a 4 percent growth in its health science enrollment -- from 11,804 to 12,250. These increases contrast to an anticipated 36.5 percent increase in undergraduate enrollment.

At the California State University, planners have calculated an 8 percent growth in graduate and postbaccalaureate enrollment over the same 15 years -- from 70,177 to 75,800. That planned increase compares to a planned growth of 63 percent in undergraduate enrollment.

Unfortunately, the two universities' enrollment plans have not been coordinated with each other or with those of the State's independent universities, although these institutions educate nearly half of California's graduate and professional students. That fact, combined with the dramatic decline in the fiscal condition of the State, calls for new and coordinated graduate enrollment projections from the State's public colleges and universities. Therefore:

**Recommendation**

**3.7**

***Developing new  
plans  
for graduate  
enrollment***

**The California State University and the University of California should prepare new graduate enrollment plans. Their planning should consider (1) the projected needs of the State in various academic or vocational fields, (2) the advisability of supporting fully developed graduate programs in a comprehensive array of disciplines on all campuses versus that of concentrating graduate expenditures on a smaller range of disciplines at each campus, (3) California's need for additional professional personnel, including school teachers and higher education faculty over the next several decades, (4) the graduate academic programs and productivity of neighboring independent institutions, (5) the need for research productivity within each system and the State, and (6) the benefits of building articulation between masters and doctorate degree programs as a means of shortening time to degree at the graduate level and encouraging students from underrepresented groups to pursue graduate education in larger numbers. The revised plans should reflect the objective of reducing undesired duplication and increasing the productivity of graduate programs.**

# 4

## IMPROVING REGIONAL AND STATEWIDE COOPERATION AND COLLABORATION

**T**HE STATE must be the primary basis for postsecondary planning and coordination in California, but regional planning should complement Statewide planning efforts. The reason is clear: most California college and university students choose to attend an institution in their own region of the State, rather than elsewhere in California or out of state. Some students are constrained by finances or family circumstances from leaving the region, but others simply prefer to attend a local institution.

As a consequence, the educational resources of each region must be coordinated to most effectively meet the educational needs of the residents of that region. This coordination can be accomplished more efficiently at the regional than at the statewide level, particularly since educational resources differ so widely among California's regions.

### **Encouraging regional planning**

Last year, the Legislature directed the State's public universities and, to the extent possible, the California Community Colleges to engage in regional planning -- among other reasons, to ensure that their decisions to consolidate or disestablish existing academic programs would not result in the loss of needed academic programs in various regions of the State. But program planning should also include independent and private postsecondary institutions, the public schools, and, in appropriate circumstances, representatives of local government, business, and industry.

Already, much regional cooperation exists, illustrated perhaps most clearly by the many articulation agreements in effect between community colleges and nearby campuses of the California State University and the University of California. But the Commission envisions still further cooperation:

- ♦ In some regions, the University of California campus might join with several California State University campuses and independent universities to form a consortium that would focus on a combination of selected basic and applied research topics and that

might offer joint or articulated graduate programs in these fields.

- ♦ Elsewhere, California State University campuses might join with neighboring California Community Colleges to provide students with an articulated range of options from the traditional associate degree to the master's degree. This set of institutions might create a new technical degree program that would average three years of continuous full-time enrollment in an applied or vocational area that requires instruction beyond the fourteenth year but not necessarily the full breadth of courses associated with the baccalaureate.
- ♦ In each region, all systems of higher education should collaborate with the schools to improve the overall preparation of high school students for successful transition to either the workplace or to postsecondary education. Among the range of topics for discussion by institutions at both levels could well be (1) improving course articulation and other strategies for reducing time to degree and accommodating larger numbers of students, (2) sharing facilities and resources, (3) stimulating the economy and culture of the local region, and (4) jointly sponsoring academic programs between high schools and postsecondary education institutions

These types of collaboration stem from regular conversations and shared goals among representatives of educational institutions and with representatives of community organizations, employers, and the public. Some regions appear to have traditions of such ongoing conversations, collaborating groups, and consortia, while others seem to lack them. Accordingly:

## **Recommendation**

### **4.1**

#### ***Fostering increased regional and statewide collaboration***

**The Education Roundtable, consisting of the executives of California's public and independent systems of postsecondary education and the Commission, plus the Superintendent of Public Instruction, should establish as one its highest priorities regional and statewide collaboration among K-12 schools and postsecondary schools, colleges, and universities. The Commission, as the State's postsecondary coordinating agency, should then help implement this collaboration.**

#### **Improving coordination at the statewide level**

Structures to facilitate regular exchange and coordination among postsecondary institutions throughout the State already exist at virtually every institutional level. (1) the California Education Round-

table for chief executive officers, (2) the Intersegmental Council of Academic Senates for faculty, and (3) the Intersegmental Coordinating Council, Subject Matter Project committees, and Articulation Councils for program staff

At the governing board level, however, coordination has been rare until recently. The California State University Trustees and the University of California Regents met jointly for the first time in their history in October 1993 to discuss issues of common concern. One year later, a joint meeting between the Trustees and the Board of Governors of the California Community Colleges was held. More recently, the Board of Governors has met with the State Board of Education to discuss the resolution of long-standing disagreements over adult education. Meetings of this nature -- joint discussions among the governing boards of California's educational systems -- should become more the rule than the exception. To this end, the Commission believes there is considerable merit to structuring regular interaction between the various governing board members to discuss overall policy directions, including accommodating into the next century increased demand for access to education beyond the high school. Accordingly:

**Recommendation  
4.2**

***Bringing  
governing boards  
together to agree  
on policy***

**The three governing boards of California's public systems of higher education should meet on a regular basis with each joint meeting organized around a focused and limited policy agenda that involves shared goals and/or objectives. Other members of the postsecondary education community should be invited to participate in these meetings, as appropriate.**

**Strengthening  
governance  
of the California  
Community  
Colleges**

Conversations such as these among the members of different governing boards on meeting the educational and training needs of the State would represent a substantial step forward in forging a cohesive educational enterprise in California. For these potential benefits to be realized, however, the absence of a strong central governing board for the California Community Colleges must be addressed

The current structure of maintaining 71 separate district governing boards throughout the State -- a remaining vestige from the prior administrative placement of community colleges within the K-12 school system -- does not permit the Community Colleges' state-wide Board of Governors to be a fully equal partner with the Trustees of the California State University and the Regents of the University of California. Any policy direction it may expound does

not commit its individual colleges unless codified in Administrative Code regulations. Rather, such commitments must be individually concurred with by the 71 separate boards.

Unless this structural arrangement is modified to vest greater policy and governance authority in the Board of Governors, the logistic and fiscal complications associated with joint governing board action may prove insurmountable, and statewide consensus will be nearly impossible to achieve. Accordingly:

**Recommendation  
4.3**

*Identifying ways  
to strengthen  
community college  
governance*

Because of the uniqueness and diversity of the California Community Colleges, the Commission, in cooperation with the Board of Governors, district boards of trustees, the Department of Finance, and the Legislative Analyst's Office, should review the governance of the community college system to identify how it can become better integrated. The Commission should report to the Legislature and Governor its recommendations, including any desirable statutory, fiscal, regulatory, or administrative changes to that end.



# CONCLUSION: SHARING THE TASKS OF PREPARING FOR THE FUTURE

**B**ECAUSE of the recent rescission and continuing increases in competition for scarce tax dollars, educational opportunity and quality in California are in danger of eroding. The State's public schools, once well-funded, now rank in the lowest quartile of State funds nationally; and over the past four years, its colleges and universities have been starved for resources.

If California is to meet the challenges of the twenty-first century, education must be restored among its essential public services. This will involve a fundamental reordering of the State's fiscal priorities. Californians cannot assume that educators and educational institutions by themselves will be able to maintain and expand educational opportunities adequately into the twenty-first century. Educators have a major responsibility, but they must count on others -- students, parents, voters, elected officials, and employers, among others -- to share some of this responsibility, if these opportunities are to be a reality.

- ♦ Students must accept the responsibility of preparing themselves academically for meeting admission requirements.
- ♦ Families -- and particularly parents -- must help instill in young children a love of learning, faith in their future, and a willingness to work and save for the future.
- ♦ Voters and elected officials need to demonstrate their commitment to the well-being of the next generation.
- ♦ Employers need to cooperate more closely with educators to clarify expectations for graduates and new employees.

Most important, all groups need to remember that the vision of California as the "Golden State" is much greater than the simple sum of its parts. Everyone's commitment is needed to ensure that California's future is as bright and promising as its past. The matrix on the following pages shows the Commission's view of the roles that everyone can play in sharing this task.

The Governor  
 The Legislature  
 Constitution Revision Commission  
 California Voters  
 Department of Finance  
 Legislative Analyst  
 California Education Roundtable  
 California Community Colleges  
 The California State University  
 University of California  
 Independent Institutions  
 Intersegmental Coordinating Council  
 Council for Private Postsecondary and Vocational Education  
 The Commission

- ✓✓✓✓
- 1 1 The State Constitution should be revised to (1) permit state and local revenue to increase in consonance with economic growth and (2) reduce the required "super-majority" voter approval for new or increased taxes from 67 percent to no more than 60 percent, if not a simple majority. The Constitution Revision Commission and the Legislature and Governor should also review all existing mandatory requirements for General Fund expenditures, identify those necessary to the social and fiscal health of the State, and recommend repeal of all remaining provisions of statute or the constitution that mandate annual expenditures (pp 4-5)
- ✓✓
- 1 2 To ensure that all capacity to enroll qualified students is used, the Governor and Legislature should expect the public colleges and universities to collaborate with the independent and private sectors of postsecondary education in annually identifying available enrollment opportunities throughout the State that could be used to accommodate additional students. In particular, each California Community College must estimate the number of its students expected to be transfer-eligible during the succeeding year and provide these estimates to the Commission, the admission and enrollment planning offices of the California State University, the University of California, and, on behalf of independent colleges and universities, to the Association of Independent California Colleges and Universities (page 5)
- ✓✓
- 1 3 By the 1999-2000 fiscal year, California's independent colleges and universities should seek to enroll at least 15,000 additional Californians beyond those enrolled in 1994-95. To encourage both students and independent institutions to pursue this goal, the Legislature should augment state-funded financial aid to assist needy California students to enroll in these institutions (page 6)
- ✓✓
- 1 4 By 1996-97, the Legislature and the Governor should commit to providing a base funding level for California's public colleges and universities on a full-time equivalent student basis. The appropriateness of the base funding level should be reviewed every five years and modified, as needed (page 7)
- ✓
- 1 5 To provide better information for decision making, each public system of postsecondary education should calculate the various net full-time-equivalent-student costs of providing instruction, differentiated by undergraduate, graduate, and professional levels, and provide these cost calculations to the Commission, the Department of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee by December 1995 (page 7)
- ✓✓
- 1 6 The annual Budget Act should contain sufficient funding to accommodate the total number of students the State is willing to support for undergraduate enrollment in the community colleges

and undergraduate and graduate enrollment at the State University and the University. These cost calculations should include discussion of research and public service, recognizing that these functions are intertwined (page 7)

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- ✓ 1 7 In collaboration with the Commission, policymakers of the community colleges, the State University, and the University should review the educational mission of their institutions in light of current economic and demographic factors and recommend how best to support quality and affordable access for all students into the twenty-first century (page 7)

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- 1 8 If the State does not provide sufficient resources to support access for all who could benefit from postsecondary education, the Governor, Legislature, and respective governing Boards should

- ♦ Give priority to students seeking admission to the State's public universities as upper-division transfers from community colleges over those seeking admission as freshmen or sophomores, since community colleges are precluded by law from offering upper-division courses,
- ♦ Give priority to students seeking an initial baccalaureate degree over students seeking a second baccalaureate, thereby providing everyone with as much access as possible to undergraduate education;
- ♦ Give priority to applicants preparing to enter or reenter the workforce over those who have retired in order to maximize benefits to State efforts to sustain and enhance economic stability and growth, and
- ♦ Address and set up other priorities for limiting access. These could include, but are not limited to, reducing and cancelling programs at the system and/or campus levels, examining the balance of graduate and undergraduate programs, and reducing or combining some disciplines on different campuses (pp 8-9)

✓✓

- ✓ 1 9 Through its Capital Outlay Planning Advisory Committee, the Commission should develop recommendations by this autumn for the Governor and Legislature to consider in financing capital outlay for higher education through 2010 (page 9)

- 2 1 The fee levels of the three systems should vary by system, reflecting differences in the economic conditions of their current students served and their different missions

✓

- ♦ The Board of Governors of the California Community Colleges should be authorized to establish a base fee level that is fair, moderate, and predictable, and that does not exceed 15 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years

The Governor  
 The Legislature  
 California Voters  
 Department of Finance  
 Legislative Analyst  
 California Education Roundtable  
 California Community Colleges  
 The California State University  
 University of California  
 Independent Institutions  
 Intersegmental Coordinating Council  
 Council for Private Postsecondary and Vocational Education  
 The Commission

- The Trustees of the California State University should be authorized to propose a base undergraduate enrollment fee level that does not exceed 30 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years
- The Regents of the University of California should be urged to establish a base undergraduate student fee that does not exceed 40 percent of the average annual instructional expenditure per full-time-equivalent student over the prior three years (*page 12*)

2 2 The State should appropriate increases in grant assistance as necessary to ensure that needy students are able to pursue their education irrespective of their economic circumstances (*page 13*)

2 3 Because not all needy students have the same level of financial need, access can best be promoted if those eligible students with the greatest need receive the largest amount of grant assistance within each system. Thus, as each system or institution makes its grant awards, it should direct its largest grants to eligible students with the greatest need (*page 14*)

✓ 2 4 The California Postsecondary Education Commission should complete its review and provide its recommendations on long-term financial aid policy for the State by November 1995. The Commission shall include in its review an analysis of (1) appropriate goals to be advanced by the state's financial aid policy, (2) the advantages and disadvantages of decentralizing aid programs, (3) sources of funds that should be included in the state's financial aid policies, (4) a methodology for estimating annual appropriation needs for fully funding a financial aid program to achieve state goals, and (5) indicators that should be reviewed regularly to determine the extent to which state goals are being achieved (*page 14*)

✓ 2 5 The Intersegmental Coordinating Council should develop a comprehensive and integrated statewide public information program aimed initially at the parents of elementary and middle school students, but ultimately covering all parents and students, that deals with (1) the civilian and military educational options generally available to California students after high school, with particular emphasis on the options offered by schools, colleges, and universities, (2) the academic and other skills required for admission to these options, (3) the likely cost of each option, together with the types of financial assistance available to students unable to fully meet that cost, (4) the state's expectation regarding the financial contribution of parents to the postsecondary education of their children, and (5) alternative postsecondary savings plans available to parents and children (*page 15*)

The Governor  
 The Legislature  
 Commission on Revenue  
 California Voters  
 Department of Finance  
 Legislative Analyst  
 California Education Roundtable  
 California Community Colleges  
 The California State University  
 University of California  
 Independent Institutions  
 Intersegmental Coordinating Council  
 Council for Private Postsecondary and Vocational Education  
 The Commission

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- 3 1 Public campuses should be authorized to retain all savings realized from implementation of cost-effective strategies for instructional delivery and be permitted to reinvest them in any aspect of campus teaching-learning activities. Furthermore, these realized savings should not result in reduction of General Fund support.

To this end, individual campuses within each public system of postsecondary education should be encouraged to devise and implement more cost-effective ways of educating students, provided such strategies do not result in decreased diversity in student enrollment or academic program offerings throughout the State (page 18)

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- 3 2 The Legislature and Governor should improve their capacity to make informed policy decisions about postsecondary education and the students it serves. To that end, they should fund the expansion of the Commission's student information system, thereby improving the quality and consistency of the information they require while, at the same time, reducing current costs for duplicate data storage (page 19)

✓✓✓

- 3 3 By the year 2000, all public colleges and universities should provide students with the opportunity, when appropriate, to "challenge" course requirements and to demonstrate their proficiency or competence without the need to enroll in these courses. To assist student in preparing themselves to take advantage of such opportunities, California's colleges and universities should publish a list of faculty-identified courses that have specific sets of proficiencies or competencies that students are expected acquire and the standards set for awarding passing grades or course credit, and they should develop assessment alternatives for students to demonstrate such competencies at no additional cost to the student (p 20)

✓✓

- 3 4 All colleges and universities should continue and expand collaborative efforts with high schools to assist all graduates in meeting the competencies expected of entering college freshmen that have been endorsed by the academic senates of California's public colleges and universities. To this end, the State University and the University should ensure that their existing skills assessment instruments are aligned with these competency statements and make these instruments available to high schools for administration prior to students' completion of their 11th grade year (p 20)

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- 3 5 The Legislature and Governor should support and encourage California's colleges and universities to collaborate with the private business sector to determine how best to incorporate the use of technology in their instructional programs. To this end, the State should request public institutions to develop five-year plans for incorporating technology including (1) the rationale for expenditure priorities, (2) the relationship to teaching-learning improvements, (3) current utilization of technology, and (4) the estimated costs of implementing their plans (pp 21)

The Governor  
 The Legislature  
 Constitution Revision Commission  
 California Voters  
 Department of Finance  
 Legislative Analyst  
 California Education Roundtable  
 California Community Colleges  
 The California State University  
 University of California  
 Independent Institutions  
 Intersegmental Coordinating Council  
 Council for Private Postsecondary and Vocational Education  
 The Commission

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3 6 California's colleges and universities should increasingly develop and publicize clear statements of their unique mission, goals, and expectations, including specific expectations of the skills and competencies their graduates should be able to demonstrate and the means for measuring and reporting these achievements. They should also gather and report information on the postgraduate activities and careers of their alumni in order to help guide curricular change and student choice (page 22)

✓✓

3 7 The California State University and the University of California should prepare new graduate enrollment plans. Their planning should consider (1) the projected needs of the State in various academic or vocational fields, (2) the advisability of supporting fully developed graduate programs in a comprehensive array of disciplines on all campuses versus that of concentrating graduate expenditures on a smaller range of disciplines at each campus, (3) California's need for additional profesfaculty over the next several decades, (4) the graduate academic programs and productivity of neighboring independent institutions, and (5) the benefits of building articulation between masters and doctorate degree programs as a means of shortening time to degree at the graduate level and encouraging students from underrepresented groups to pursue graduate education in larger numbers. The revised plans should reflect the objective of reducing undesired duplication and increasing the productivity of graduate programs (page 24).

✓

4 1 The Education Roundtable, consisting of the executives of California's public and independent systems of postsecondary education and the Commission, plus the Superintendent of Public Instruction, should establish as one of its highest priorities regional and statewide collaboration among K-12 schools and postsecondary schools, colleges, and universities. The Commission, as the state's postsecondary coordinating agency, should then help implement this collaboration (page 26)

✓✓✓

4 2 The three governing boards of California's public systems of higher education should meet on a regular basis, with each joint meeting organized around a focused and limited policy agenda that involves shared goals and/or objectives. Other members of the postsecondary education policy-making community should be invited to participate in these joint meetings (page 27)

✓✓✓

✓ 4 3 Because of the uniqueness and diversity of the California Community Colleges, the Commission, in cooperation with the Board of Governors, district boards of trustees, the Department of Finance, and the Legislative Analyst's Office, should review the governance of the community college system to identify how it can become better integrated. The Commission should report to the

Legislature and Governor its recommendations, including any desirable statutory, fiscal, regulatory, or administrative changes to that end (*page 28*)

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*A New State Policy on Undergraduate Student Charges at California's Public Universities: Recommendations of the California Postsecondary Education Commission. Report 93-9, June 1993.*

*A Dream Deferred: California's Waning Higher Education Opportunities: A Statement by the California Postsecondary Education Commission. Report 93-10, June 1993*

*Who Will Take Responsibility for the Future of California Higher Education? A Statement by Clark Kerr to the California Postsecondary Education Commission, October 25, 1993. Report 93-21, October 1993*

*Restabilizing Higher Education: Moderating the Impact on California's College Students and the State's Future from Cutting State Support for Higher Education by \$1.4 Billion Over the Past Three Years. Report of the Executive Director of the California Postsecondary Education Commission, December 1993. Report 93-23, December 1993.*

*The State of the State's Educational Enterprise: An Overview of California's Diverse Student Population. Report 93-24, December 1993.*

*Legislative and State Budget Priorities of the Commission, 1994: A Report of the California Postsecondary Education Commission. Report 94-1, January 1994.*

*The Performance of California Higher Education, 1994. The First Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991). Report 94-19, December 1994.*

# CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature.

## Members of the Commission

The Commission consists of 17 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. Six others represent the major segments of postsecondary education in California. Two student members are appointed by the Governor.

As of June 1995, the Commissioners representing the general public are:

Henry Der, San Francisco; *Chair*  
Guillermo Rodriguez, Jr., San Francisco, *Vice Chair*  
Elaine Alquist, Santa Clara  
Mim Andelson, Los Angeles  
C. Thomas Dean, Long Beach  
Jeffrey I. Marston, San Diego  
Melinda G. Wilson, Torrance  
Linda J. Wong, Los Angeles  
Ellen F. Wright, Saratoga

Representatives of the segments are:

Roy T. Brophy, Fair Oaks, appointed by the Regents of the University of California;  
Yvonne W. Larsen, San Diego, appointed by the California State Board of Education,  
Alice Petrossian, Glendale, appointed by the Board of Governors of the California Community Colleges,  
Ted J. Saenger, San Francisco; appointed by the Trustees of the California State University;  
Kyhle Smeby, Pasadena; appointed by the Governor to represent California's independent colleges and universities, and  
Frank R. Martinez, San Luis Obispo; appointed by the Council for Private Postsecondary and Vocational Education

The two student representatives are  
Stephen Leshner, Meadow Vista  
Beverly A. Sandeen, Costa Mesa

## Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including community colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory body to the Legislature and Governor, the Commission does not govern or administer any institutions, nor does it approve, authorize, or accredit any of them. Instead, it performs its specific duties of planning, evaluation, and coordination by cooperating with other State agencies and non-governmental groups that perform those other governing, administrative, and assessment functions.

## Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, its meetings are open to the public. Requests to speak at a meeting may be made by writing the Commission in advance or by submitting a request before the start of the meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of its executive director, Warren Halsey Fox, Ph.D., who is appointed by the Commission.

Further information about the Commission and its publications may be obtained from the Commission offices at 1303 J Street, Suite 500, Sacramento, California 95814-2938, telephone (916) 445-7933.

# THE CHALLENGE OF THE CENTURY: Planning for Record Student Enrollment and Improved Outcomes in California Postsecondary Education Commission Report 95-3



ONE of a series of reports published by the California Postsecondary Education Commission as part of its planning and coordinating responsibilities. Single copies may be obtained without charge from the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2938. Recent reports include:

- 94-13 *Faculty Salaries in California's Community Colleges, 1993-94: A Report to the Legislature and Governor in Response to Supplemental Language for the 1979 Budget Act* (August 1994)
- 94-14 *Executive Compensation in California Public Higher Education, 1993-94: The Second in a Series of Annual Reports to the Governor and Legislature in Response to the 1992 Budget Act* (August 1994)
- 94-15 *Comments at Public Forums Regarding the Commission's State Postsecondary Review Entity (SPRE) Program and Its Draft Standards, with Staff Responses: A Staff Report to the Commission's Ad Hoc Committee on Federal Programs* (October 1994)
- 94-16 *State Postsecondary Review Entity (SPRE) Standards, as Submitted to the Office of Administrative Law and the United States Secretary of Education* (October 1994)
- 94-17 *Fiscal Profiles, 1994: The Fourth in a Series of Factbooks About the Financing of California Higher Education* (October 1994)
- 94-18 *Proposed Construction of the Palmdale Center of the Antelope Valley Community College District: A Report to the Governor and Legislature in Response to a Request from the Board of Governors of the California Community Colleges* (October 1994)
- 94-19 *The Performance of California Higher Education, 1994: The First Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991)* (December 1994)
- 94-20 *Student Profiles, 1994: The Latest in a Series of Annual Factbooks About Student Participation in California Higher Education* (December 1994)
- 1995
- 95-1 *A New State Policy on Community College Student Charges* (February 1995)
- 95-2 *The WICHE Compact: An Assessment of California's Continued Membership in the Western Interstate Commission for Higher Education* (February 1995)
- 95-3 *The Challenge of the Century: Planning for Record Student Enrollment and Improved Outcomes in California Postsecondary Education* (April 1995)
- 95-4 *Faculty Salaries in California's Public Universities, 1995-96: A Report to the Legislature and the Governor in Response to Senate Concurrent Resolution No. 51* (April 1995)
- 95-5 *Legislative and State Budget Priorities of the Commission, 1995: A Report of the California Postsecondary Education Commission* (April 1995)